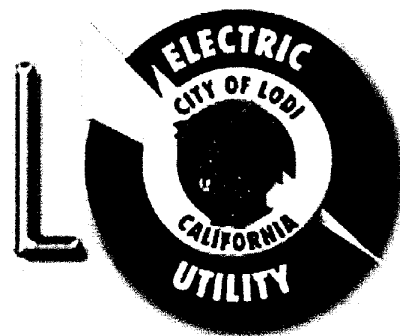


**CITY COUNCIL  
TOWN HALL MEETING  
August 29, 2001  
7:00 p.m.**

---

Order of presentations:

- Introduction – *Mayor Nakanishi*
- Overview – *City Manager Flynn*
- Electric rates – *Council Member Land*
- Wastewater rates – *Council Member Howard*
- Water rates – *Mayor Pro Tempore Pennino*
- Reverse frontage walls – *Council Member Hitchcock*
- Staff comments – *Public Works Director Prima*
- Public Comments (5-minute limit)
- Concluding remarks – *Mayor Nakanishi*



**RELIABILITY IN AN  
UNRELIABLE WORLD**

**LODI ALWAYS**



## **EA: RESIDENTIAL SERVICE**

Minimum Charge	\$ 4.87
Summer (May through October)	
First 440 KWH, per KWH	\$ .09487
Over 440 KWH, per KWH	\$ .13318
Winter (November through April)	
First 400 KWH, per KWH	\$ .09487
Over 400 KWH, per KWH	\$ .13318



# **ED: Residential SHARE Program Service**

(Single Household Alternative Rate for Energy)

To be eligible to receive SHARE, applicant must qualify based on eligibility criteria:

<u>Number of Persons in Household</u>	<u>Maximum Annual Household Income</u>
1-2	\$18,200
3	\$21,500
Each additional member	\$ 4,300



# **ED: Residential SHARE Program Service**

(Single Household Alternative Rate for Energy)

Eligible applicants receive a rate 20% below the Residential Service (EA) as follows:

Minimum Charge	\$ 3.90
Summer (May through October)	
First 440 KWH, per KWH	\$ .07590
Over 440 KWH, per KWH	\$ .10655
Winter (November through April)	
First 400 KWH, per KWH	\$ .07590
Over 400 KWH, per KWH	\$ .10655



## **EE: Residential All Electric Rate**

Applies to residential service with permanently installed electric heating as the primary heat source.

Eligible applicants are charged as follows:

Minimum Charge	\$ 4.87
Summer (May through October)	
First 585 KWH, per KWH	\$ .09487
Over 585 KWH, per KWH	\$ .13318
Winter (November through April)	
First 1,000 KWH, per KWH	\$ .09487
Over 1,000 KWH, per KWH	\$ .13318



## **EF: Residential All Electric SHARE Program**

Applies to residential service that qualifies for both ED and EE.

Minimum Charge	\$ 3.90
Summer (May through October)	
First 585 KWH, per KWH	\$ .07590
Over 585 KWH, per KWH	\$ .10655
Winter (November through April)	
First 1,000 KWH, per KWH	\$ .07590
Over 1,000 KWH, per KWH	\$ .10655



## **MR: Residential Medical Rider**

Qualifying Residential customers are entitled to an additional 500 KWH per billing cycle.

- Requires certification by Doctor that medical condition of customer requires special air-conditioning needs.
- For more information, contact the Finance Department or visit [www.lodielectric.com](http://www.lodielectric.com).





# **G1- G5 and I1: Commercial Industrial Rates**

- Lodi Electric Utility has six different rate schedules for Commercial/Industrial customers.
- Rates are applied based upon the needs and consumption of the individual business.
- For more details, please contact the Electric Utility at 333-6815.
- All of the rate schedules may be viewed on-line at [www.lodielectric.com](http://www.lodielectric.com).



## **MCA: Market Cost Adjustment**

- This schedule, last revised, August 1, 2001, is reviewed quarterly by the City Council.
- The Market Cost Adjustment is activated to provide for increases or decreases in the City's cost for electric service.
- Residential customers on schedules ED, EF and Medical Rider are not subject to the MCA.



# Market Cost Adjustment Billing Factor

<b>Class</b>	<b>Cents per KWH</b>	<b>Date Effective</b>
EA, EE under 300 KWH	2.5	August 1, 2001
EA, EE 301 to 600 KWH	3.5	August 1, 2001
EA, EE above 600 KWH	4.5	August 1, 2001
ED, EF	0	August 1, 2001
G1	3.0	August 1, 2001
G2	3.0	August 1, 2001
G3	1.9	August 1, 2001
G4	1.9	August 1, 2001
G5	1.3	August 1, 2001



## Sample - City of Lodi Residential Utility Bill - Electric Detail Only

Service From July 02 to August 01, 2001

Meter Number	Rate Type	No. of Days	New Meter Read	Last Meter Read	Multiplier	Usage
00000	EA	30	47607	46533	1	1074

Charges:                      Usage Charge 440 KWH x \$0.09487                      41.74  
    634 KWH x \$0.13318                      84.44

MCA - JUNE 1, 2001  
through JULY 31, 2001

Market Cost Adjust 290 KWH x \$0.01250                      3.63  
    290 KWH x \$0.01900                      5.51  
    458 KWH x \$0.03000                      13.74

MCA - Effective  
August 1, 2001

Market Cost Adjust 10 KWH x \$0.02500                      0.25  
    10 KWH x \$0.03500                      0.35  
    16 KWH x \$0.04500                      0.72

**TOTAL ELECTRIC CHARGES                      150.38**

# **PUBLIC BENEFIT PROGRAMS**

- Lodi Electric Utility offers many programs and rebates to help our customers reduce their energy consumption.
- For more information on rebates and programs for residential, commercial and industrial customers -- call 333-6815 or visit our website at [www.lodielectric.com](http://www.lodielectric.com).



# THANK YOU



**OUR COMMUNITY  
WORKING TOGETHER**

[www.lodielectric.com](http://www.lodielectric.com)

filed 8-29-01

## **Water/Wastewater Utility Issues**

(In Two Parts)

Part 1 – July 31, 2001 Shirtsleeve

- **Declining Fund Balance**
- **Budget Objective #7- To Provide Resources to Maintain City's Infrastructure**
- **Regulatory & Other Requirements**
- **Direction/Next Steps**
- **Rates**
  - **History**
  - **Other Agencies**

Part 2 – August 28, 2001 Shirtsleeve

- **Infrastructure Replacement Issues**
- **Cost of Replacements**
- **Revenue Requirements**
- **Proposed Rates**

2001-03 FINANCIAL PLAN AND SUMMARY

CHANGES IN FUND BALANCE - WATER FUND

	1999-2000 Actual	2000-01 Revised Budget	2001-02 Recommended Budget	2002-03 Proposed Budget
<b>Revenues</b>				
Tax Revenues				
Licenses and Permits				
Fines and Forfeitures				
Investment/Property Revenues	93,540	68,000	69,701	69,701
Revenue from Others				
Service Charges	3,966,830	3,843,000	3,969,185	3,830,605
Other Revenue	776,290	172,000	235,000	240,000
Total Revenue	4,836,660	4,083,000	4,273,886	4,140,306
<b>Expenditures</b>				
Operating Programs				
Public Safety				
Public Utilities	4,013,394	3,433,102	2,727,580	2,741,425
Transportation				
Leisure, Cultural and Social Services				
Community and Economic Development				
General Government				
Total Operating Programs	4,013,394	3,433,102	2,727,580	2,741,425
Bulk Power Purchase				
Other Purchases			52,310	
Capital Projects	1,649,809	1,603,471	1,114,025	545,000
Debt Service	226,946	228,013	227,975	227,975
Total Expenditures	5,890,149	5,264,586	4,121,890	3,514,400
Revenues/Expenditures (Over/Under)	(1,053,489)	(1,181,586)	151,996	625,906
<b>Other Sources (Uses)</b>				
Operating Transfers In	16,975			
Operating Transfers Out	(655,739)	(655,545)	(782,749)	(770,249)
Other Sources (Uses)	2,388,534	832,000	43,000	25,000
Cost of Medical care/dental, vision	(65,690)	(25,295)		
Total Other Sources (Uses)	1,684,080	151,160	(739,749)	(745,249)
Fund Balance Beginning of the Year	1,618,075	2,248,666	1,218,240	630,487
Fund Balance End of the Year				
Reserved for Debt Service				
Designated Reserve	2,248,666	1,218,240	630,487	511,144
Unreserved				
Total Fund Balance	2,248,666	1,218,240	630,487	511,144



## 2001-03 FINANCIAL PLAN AND SUMMARY

## CHANGES IN FUND BALANCE - WASTEWATER FUND

	1999-2000	2000-01	2001-02	2002-03
	Actual	Revised Budget	Recommended Budget	Proposed Budget
Revenues				
Tax Revenues				
Licenses and Permits				
Fines and Forfeitures				
Investment/Property Revenues	281,356	305,000	268,983	268,983
Revenue from Others				
Service Charges	4,058,245	4,447,000	4,515,805	4,229,925
Other Revenue	114,857	92,000	116,000	116,000
Total Revenue	4,454,457	4,844,000	4,900,788	4,614,908
Expenditures				
Operating Programs				
Public Safety				
Public Utilities	3,009,068	3,272,570	3,427,190	3,401,135
Transportation				
Leisure, Cultural and Social Services				
Community and Economic Development				
General Government				
Total Operating Programs	3,009,068	3,272,570	3,427,190	3,401,135
Bulk Power Purchase				
Other Purchases			46,000	71,000
Capital Projects	635,736	944,000	853,025	476,000
Debt Service	806,770	803,070	812,385	817,465
Total Expenditures	4,451,574	5,019,640	5,138,600	4,765,600
Revenues/Expenditures (Over/Under)	2,883	(175,640)	(237,812)	(150,692)
Other Sources (Uses)				
Operating Transfers In	161,779			
Operating Transfers Out	(726,749)	(580,301)	(751,845)	(739,345)
Other Sources (Uses)	173,591			
Cost of Medical care/dental, vision	(125,809)	(83,100)	(118,300)	(118,300)
Total Other Sources (Uses)	(517,188)	(663,401)	(870,145)	(857,645)
Fund Balance Beginning of the Year	3,832,966	3,318,661	2,479,620	1,371,664
Fund Balance End of the Year				
Reserved for Debt Service				
Designated Reserve	3,318,661	2,479,620	1,371,664	363,327
Unreserved				
Total Fund Balance	3,318,661	2,479,620	1,371,664	363,327

## **Water/Wastewater Reserves**

- **Present City Policy – Minimum of 15% of annual operating expenses.**
- **AWWA – 5% annual surplus revenue over total expenses; six to twelve months of O&M expenses, plus one year's debt service.**
- **City of Tracy – 25% of annual operating plus one year's debt service.**
- **City of Stockton – 25% of annual operating plus capital reserve (unspecified amount)**
- **State Of California (Loan Fund Revenue Guidelines – 10% to 50% of annual operating plus capital reserve**
- **Consultant (Washington State) – 10% of operating, plus \$250,000 contingency reserve (emergency repairs), plus one year's capital costs.**
- **Recommended Reserve for Lodi Water/Wastewater Utilities:**
  - **15% of annual operating expenses, plus**
  - **\$300,000 capital reserve in Water**
  - **\$600,000 capital reserve in Wastewater**

## **Infrastructure Replacement**

- **Major City Objective: Provide Resources to Maintain City 's Infrastructure.**
- **Critical Components of Water/Wastewater System Being Maintained**
- **Replacement of Underground Facilities – Water Distribution Mains & Services and Wastewater Collection Pipes Is Lagging**
  - **Replacements Being Done In Conjunction With Other Projects**
  - **Need to Move Into a Pro-Active Replacement Program Has Been Recognized**
  - **Staffing Now In Place to Begin Program**
  - **New Budget (2 – Year) Includes \$300,000 (W) & \$200,000 (WW) per year**
    - ✓ **Will replace about 2,400 Ft. of pipe**
    - ✓ **W/WW systems have about 2 Million feet of pipe**
    - ✓ **2,400 Ft. represents 0.12% of the system's total footage**
    - ✓ **At that rate of replacement, a pipe installed today would have to last 824 years before it gets replaced**
  - **Replacement on a 100-year cycle would require funding of \$2.2 Million per year for water & \$1.8 Million for sewer**
  - **Replacement on a 75-year cycle would require funding of \$3.0 Million for water and \$2.4 Million for sewer**

## **Regulatory and Other Requirements**

- **Wastewater**

- **Meet New Discharge Permit Requirements**
  - ✓ **Estimates in \$34 Million Range**
  - ✓ **Other Agencies Seeing Additional Requirements & Cost**
  - ✓ **Some Portion of Cost Will Be Allocated To New Development**
  - ✓ **Possible Offsets – Grants & Project Partners**
- **Energy Cost ? ? ?**
- **General Cost of Living/Operations**

- **Water**

- **Regulatory Requirements**
  - ✓ **Contaminants – DBCP, PCE/TCE, others**
  - ✓ **Naturally Occurring Elements – Radon, Arsenic**
  - ✓ **Fluoridation & Chlorination**
  - ✓ **Cost Impact Will Depend on Levels Established & Grant Funding**
- **Provide Additional Supply**
  - ✓ **Wide Range of Potential Costs -**
    - **\$35+ M. for Surface Water Transport & Treatment (If Available)**
    - **\$2 to \$4 M. for Prelim. Engineering & Permits for County Project**
  - ✓ **Conservation**
  - ✓ **Possible Offsets – Grants & Project Partners**
- **Energy Cost ? ? ?**
- **General Cost of Living/Operations**

## Rate Comparisons

### State of California - FY 99/00 Survey Report - Wastewater Rates:

651 agencies reporting

Monthly Rates - All		Adv. Secondary	Tertiary
Low	\$4.25	\$7.12	\$5.90
Median	\$16.67	\$19.00	\$19.80
Average	\$19.71	\$21.17	\$22.55
High	\$91.38	\$52.25	\$76.17

Lodi            \$7.12

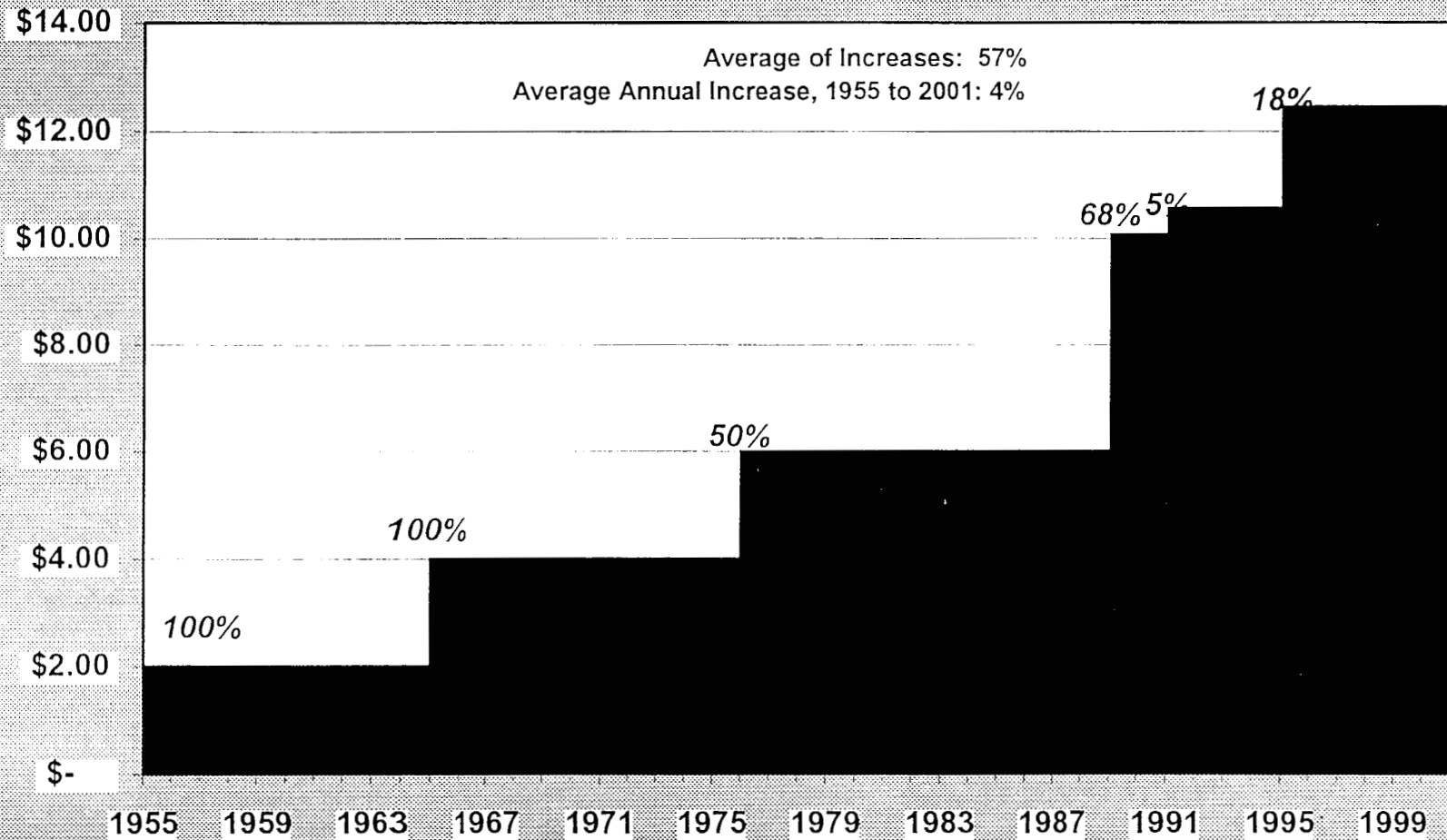
### Other San Joaquin County Wastewater Agencies:

Linden CWD	\$19.70	Escalon	\$10.12
Stockton	\$18.33	Manteca	\$9.22
Country Club SD	\$17.32	Lockeford CSD	\$8.50
Lathrop	\$14.74	Ripon	\$8.20
Tracy	\$17.50	Woodbridge SD	\$7.83

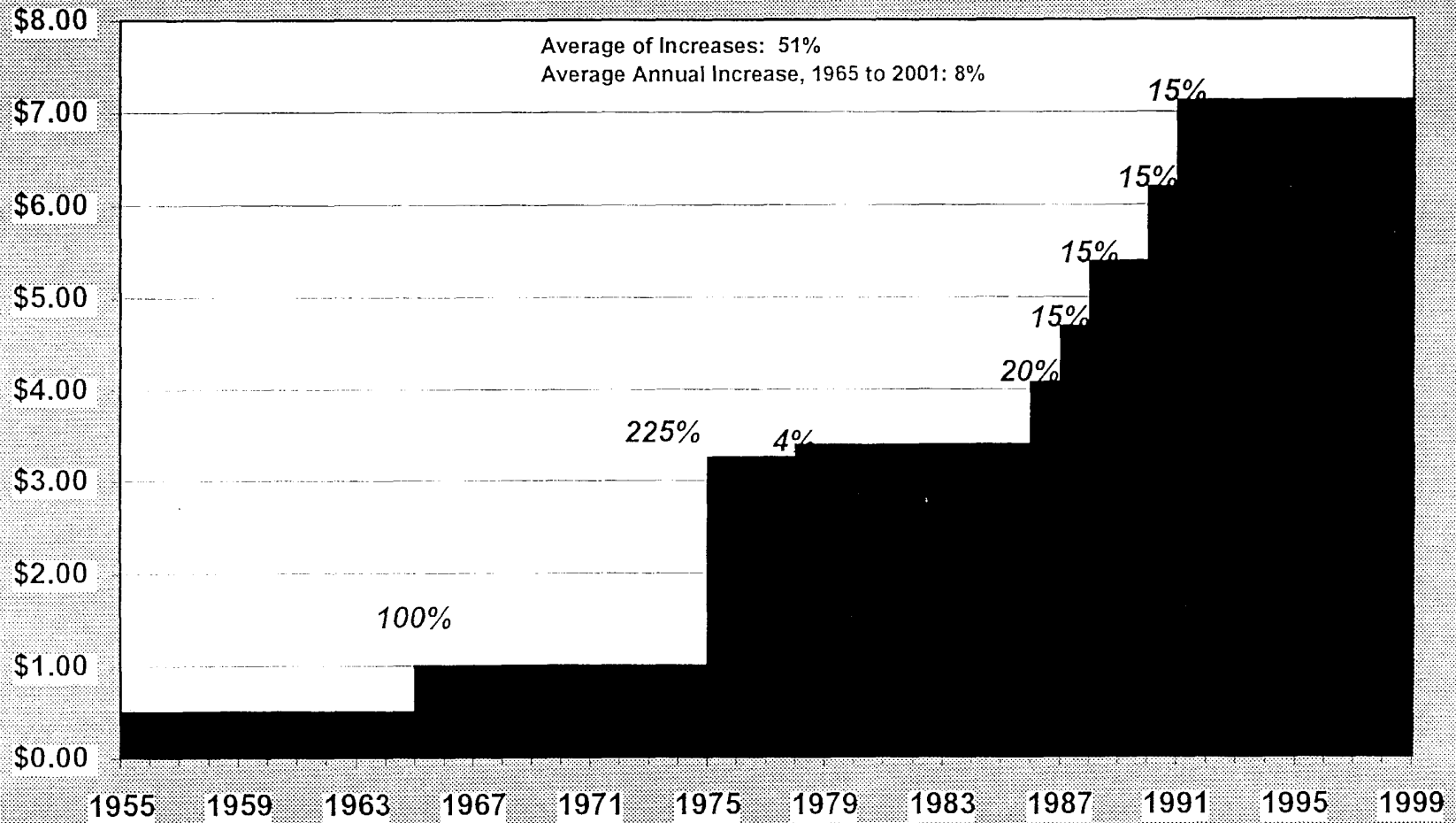
### Black & Veatch - Statewide surveys

2001 Water 460 agencies		2000 Wastewater 420 agencies
Monthly Rates:		
Low	\$6.30	\$5.50
Median	\$28.03	\$15.79
Average	\$28.67	\$18.29
High	\$91.24	\$88.75
Lodi	\$12.45	\$7.12

# Water Rate History ( 3 Bedroom Residence)



# **Sewer Rate History** **( 2 Bedroom Residence )**



City	Base Charge	Water Charge	Total for typical residence	Comments
<b>Davis</b>				
Metered	\$8.71 /mo.	\$0.49 /100 cu. ft.	\$18.54 /mo.	Water charge increases to \$0.68/100 cu. ft. for amount over winter use "base line".
<b>Escalon</b>				
Metered	\$11.29 /mo.	\$0.8185 /1000 gal. \$0.6122 /100 cu. ft.	\$23.62 /mo.	\$0.9004/1,000 gals. for 50,000-80,000 gal., greater than 80,000 gal. \$0.9904/1000 gal.
<b>Lathrop</b>				
Metered	\$10.24 /mo.	\$1.1300 /1000 gal. \$0.8452 /100 cu. ft.	\$27.19 /mo.	
<b>Madera</b>				
Flat Rate	\$9.72 /mo.	n/a	\$9.72 /mo.	For 1st 5,000 sq. ft. lot. Increases \$0.13 per additional 100 sq. ft.
Metered		\$0.37 /1000 gal.	\$5.55 /mo.	No base charge.
<b>Manteca</b>				
Metered	\$9.20 /mo.	\$0.43 /100 cu. ft.	\$20.17* /mo.	Water charge is \$0.57/100 cu. ft. for amount over 2,000 cu. ft. User tax of \$2.35 added to all accounts.
<b>Merced</b>				
Flat Rate	\$7.17 /mo.	n/a	\$7.17 /mo.	\$7.17 for first 10,000 SF, per table up to \$39.90 for 46,000 SF
Metered	\$17.78 /mo.	\$0.504 /100 cu. ft.	\$17.78 /mo.	Base charge includes water allowance up to amount under quantity rate (3,500 cu. Ft. for ¾").
<b>Ripon</b>				
Flat Rate	\$17.86 /mo.	n/a	\$17.86 /mo.	Lot size up to 10,000 SF.
Metered	\$12.98 /mo.	\$0.900 /100 cu. ft.	\$18.43 /mo.	Base charge includes first 1400 cu. Ft.
<b>Roseville</b>				
Flat Rate	\$12.80 /mo.	n/a	\$13.44* /mo.	For single family lot between 4,901 and 8,900 SF; per table for other sizes
Metered	\$9.80 /mo.	\$0.40 /100 cu. ft.	\$14.51* /mo.	First 1,000 cu. ft. in base charge; water charge increases to \$0.43/100 cu. ft. for 5,000-15,000; \$0.46/100 cu. ft. for 15,000-25,000; \$0.49/100 cu. ft. for .25,000 cu. ft. plus 5% user tax.
<b>Stockton (City)</b>				
Metered	\$13.79 /mo.	\$0.665 /100 cu. ft.	\$29.30* /mo.	\$0.566/100 cu. ft. for amount over 30,000 cu. ft. plus 8% user tax.
<b>Tracy</b>				
Metered	\$9.85 /mo.	\$0.85 /100 cu. ft.	\$27.61 /mo.	Water charge increases to \$1.20 over 1,200 winter/1,800 summer cu. ft., \$1.40 over 1,900w/2,900s cu. ft., \$1.50 over 19,000w/28,700s cu. ft.
<b>Turlock</b>				
Flat Rate	\$13.45 /mo.	n/a	\$13.45 /mo.	\$7.05 for 0 to 5 rooms, \$7.90 for 6-8, \$8.70 over 8 plus charge based on parcel area (\$5.55 up to 5,500 SF, \$0.85 for each add'l 2000 SF)
Metered	\$9.45 /mo.	\$0.47 /1000 gal.	\$16.50 /mo.	Water charge decreases to \$0.40 over 50,000 gallons, \$0.17 over 150,000 gallons
<b>Vacaville</b>				
Metered	\$16.49 /mo.	\$0.69 /100 cu. ft.	\$32.66 /mo.	Water charge increases to \$0.98 over 1,200 cu. ft. 15% discount for senior citizens on base and consumption charge.
<b>Woodland</b>				
Flat Rate	\$7.45 /mo.	n/a	\$8.79* /mo.	For single family lot 5,000 to 10,000 SF; \$6.10 under 5,000 SF, \$9.10 over 10,000 SF (18% user tax reviewed every other year.)
Metered	\$3.90 /mo.	\$0.30 /100 cu. ft.	\$11.70* /mo.	
<b>Yuba City</b>				
Flat Rate	\$22.45 /mo.	n/a	\$22.45 /mo.	
Metered	\$12.35 /mo.	\$0.775 /100 cu. ft.	\$15.49 /mo.	Includes 1,600 cu. ft. minimum quantity
<b>Average</b>				
Flat Rate	\$11.36 /mo.	n/a	\$11.61 /mo.	
Metered	\$11.07 /mo.	\$0.553 /100 cu. ft.	\$20.05 /mo.	rates per 1000 gal. adjusted to 100 cu. ft.
<b>Lodi</b>				
Flat Rate	\$12.45 /mo.	n/a	\$12.45 /mo.	ranges from \$8.65 for 1 bedroom to \$25.84 for 7 br's.
Metered	\$11.43 /mo.	\$0.296 /100 cu. ft.	\$17.37 /mo.	Base charge does not include any water allowance.

Typical Residence Criteria: Units (agency affected)

Water Use: 15,000 gallons/month ( 2,005 cu. ft.)

Parcel Area: 5,000 square feet (Madera, Merced, Ripon, Roseville, Woodland)

Meter Size: ¾" size of service pipe is typically 1" minimum, meter is usually smaller

Rooms: 6 number (Turlock)

Bedrooms: 3 number (Lodi)

\*: user tax added



## City of Lodi

## Water Rate Survey

July 2001

## Survey Cities - 2000 System Demographics

City	Population Served	# of customers:				Production Million Gals.	Source	Gallons/capita/day
		Flat Rat	%	Metered	-%			
Davis	61,500	-	0%	15,300	100%	4,500	Wells	200
Escalon	6,000	-	0%	1,940	100%	448	Wells	205
Lathrop	11,000	-	0%	2,894	100%	820	Wells	204
Madera	43,207	9,404	97%	303	3%	3,856	Wells	245
Manteca	51,000	-	0%	13,001	100%	4,108	Wells	221
Merced	63,000	11,500	77%	3,500	23%	5,430	Wells	236
Ripon	10,100	2,897	91%	276	9%	1,260	Wells	342
Roseville	86,000	27,000	66%	14,000*	44%	8,356	Surface	266
Stockton	110,000	-	0%	34,602	100%	8,823	Wells(39%) Surface(61%)	220
Tracy	58,900	-	0%	17,184	100%	4,680	Wells(45%) Surface(55%)	218
Turlock	57,000	13,364	92%	1,116	8%	7,148	Wells	344
Vacaville	96,840	-	0%	24,448	100%	6,500	Wells(37%) Surface(63%)	184
Woodland	50,300	11,000	87%	1,700	13%	5,600	Wells	305
Yuba City	35,553	457	5%	8,406	95%	3,567	Surface	275
Average	52,886					4,650		247
						Avg. GPCD (metered):		216
						Avg. GPCD (flat):		290
Lodi	57,935	15,980		1,051		5,449	Wells	258
		Lodi without 3 large industrial customers:				4,995		236

\* Residential meters are installed but are not being read.

## **Infrastructure Replacement Issues**

- **No “Industry Standard”**
- **Useful Life of Pipe Varies Considerably**
  - **Pipe Material**
  - **Soil Conditions**
  - **Customer Demands**
- **Lodi’s Problem**
  - **2” Steel Pipe Watermains**
    - ✓ **Size is fine by 1930’s standards, inadequate today**
    - ✓ **Prone to leakage, breaks**
    - ✓ **Other appurtenances a problem – valves, hydrants**
    - ✓ **14 miles in our system**
    - ✓ **10 years to replace at total system 1% replacement rate**
  - **Concrete & Clay Sewer Pipe**
    - ✓ **Size is minimally adequate, corrosion a problem**
    - ✓ **Pipe breakage, joint leakage**
    - ✓ **Quantity unknown**

## **Cost of Replacements**

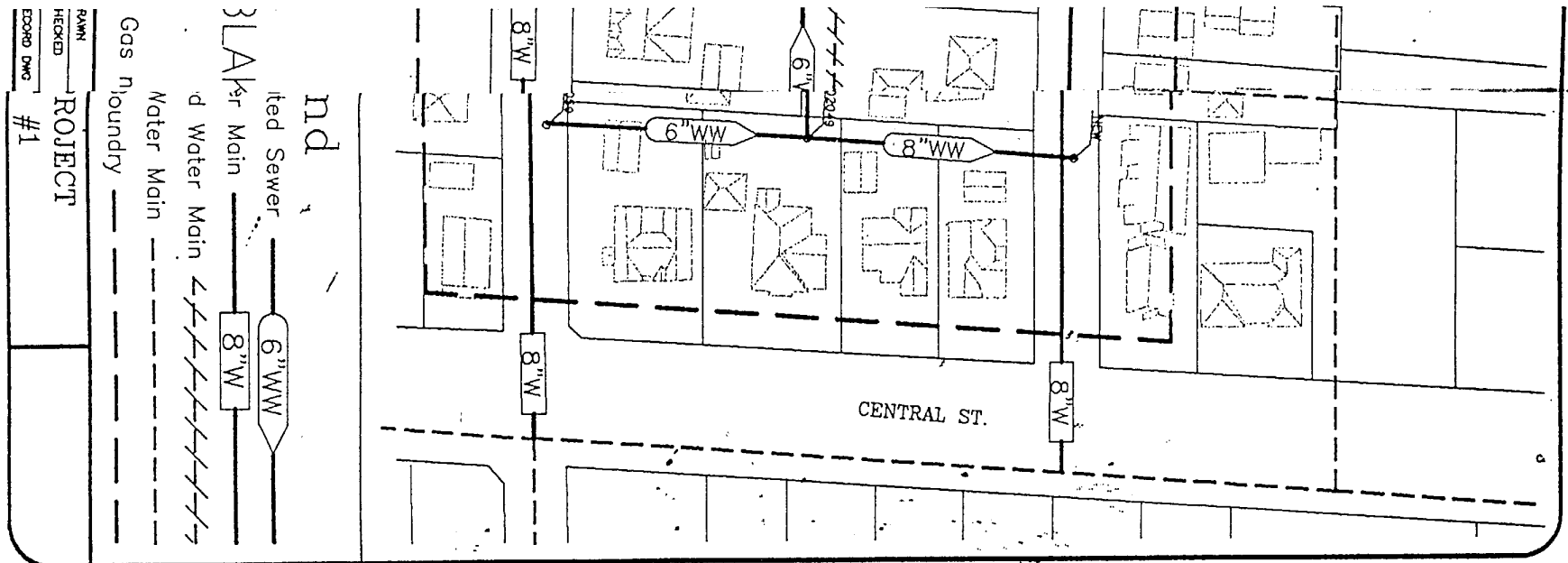
- **Budget Estimate Approx. \$200 per ft. Each for Water & Sewer (\$400 total)**
- **Stockton Street Project – Street Reconstruction w/ Trunk Line Replacement**
  - **Includes Replacing 1,300 ft. Each of Water & Sewer Trunk Mains**
  - **Work Is Entirely in Street, as Part of Street Reconstruction (shared costs)**
  - **Contract Cost for Both: \$219 per ft.**
  - **For Typical Replacement Project, Need to Add:**
    - ✓ **Trench/Street Restoration - \$18 per ft.**
    - ✓ **Water & Sewer Services to Each Parcel - \$55 per ft.**
    - ✓ **Engineering & Contingencies (30%) - \$88 per ft.**
    - ✓ **Total Cost Estimate - \$380 per ft. (\$190 for each utility)**
    - ✓ **Does Not Include Easements & Related Construction for Split Lots.**
- **Typical Eastside Project**
  - **Includes Replacing Water & Sewer Mains in alleys or rear yards**
  - **Work Is Mainly in Yards and New Water Main in Street**
  - **Assumed No Cost for Easements**
  - **Mission & Watson Streets Project Estimates:**
    - ✓ **Wastewater - \$187 per project foot**  
**\$171 per foot of main pipe installed**
    - ✓ **Water - \$ 285 per project foot**  
**\$ 140 per foot of main pipe installed**

Total Water Infrastructure Costs	\$	90,880	\$	168,016	\$	129,448
----------------------------------	----	--------	----	---------	----	---------

Total Project Footage	1,330	LF
-----------------------	-------	----

Water Improvements Per Project Foot	\$	97	
WW Improvements Per Project Foot	\$	122	
Subtotal Water & WW Improvements Per Project Foot for this Project	\$	219	\$ 219
Additional Costs For a Typical Planned Project:			
Trench Repair @ \$15/foot (Estimated)	\$	15	
Water Services to Each Lot (Avg. \$ / Block Ft.)*	\$	20	
Sewer Services to Each Lot (Avg. \$ / Block Ft.)	\$	35	
Street Repair (Slurry Seal After Construction - \$ / Block Ft.)*	\$	3	
Subtotal Additional Costs (\$ / Block Ft.)	\$	73	\$ 73
Subtotal of Estimated Project Costs (\$ / Block Ft.)			\$ 293
Engr. & Contingencies (30%)			\$ 88
Total Estimated Project Costs (\$ / Block Ft.)			\$ 380
Cost Per Utility at 50% Each (\$ / Block Ft.):			\$ 190

\*Not included: costs associated with adjacent blocks; costs of acquiring easements; relocation of water services from rear yard to front yard; property restoration after construction; traffic control; etc.



EASTSIDE WATER & WASTEWATER REPLACEMENT PROJECT  
BLOCKS F-5 & G6 (Blocks Between Mission and Watson - E. of Stockton Street - No Alley)  
PRELIMINARY COST ESTIMATE - FUND DISTRIBUTION

Item No.	Description	Unit	Quantity	Unit Price	Engineer's Estimate Total Price	Fund Distribution		
						WW Main Replacement 17.1	W Main Replacement 18.1	
Miscellaneous								
	Traffic Control	LS	1	\$ 10,000	\$ 10,000	\$ 4,000	\$ 6,000	
	Excavation Safety	LS	1	\$ 5,000	\$ 5,000	\$ 2,000	\$ 3,000	
	Mobilization / Demobilization	LS	1	\$ 20,000	\$ 20,000	\$ 8,000	\$ 12,000	
	Construction Photography	LS	1	\$ 1,500	\$ 1,500	\$ 600	\$ 900	
Subtotal Miscellaneous					\$ 36,500	\$ 14,600	\$ 21,900	
Wastewater								
	6 inch WW Pipe	LF	1300	\$ 50	\$ 65,000	\$ 65,000		
	8 inch WW Pipe	LF	170	\$ 60	\$ 10,200	\$ 10,200		
	48 inch WWMH	EA	4	\$ 3,000	\$ 12,000	\$ 12,000		
	Abandon WWMH	LS	1	\$ 1,500	\$ 1,500	\$ 1,500		
	Install 4 inch WW Connections w/ Service & Cleanouts	EA	42	\$ 1,200	\$ 50,400	\$ 50,400		
Subtotal Wastewater					\$ 139,100	\$ 139,100		
Water								
	8 inch Water Pipe	LF	2750	\$ 40	\$ 110,000	\$ 110,000		
	6 inch Water Valve	EA	4	\$ 750	\$ 3,000	\$ 3,000		
	8 inch Water Valve	EA	8	\$ 1,000	\$ 8,000	\$ 8,000		
	Install 1 inch Water Service	EA	72	\$ 860	\$ 61,920	\$ 61,920		
	Fire Hydrant	EA	2	\$ 2,500	\$ 5,000	\$ 5,000		
	Abandon WM & Valves	EA	1	\$ 5,000	\$ 5,000	\$ 5,000		
	Connect Services to Buildings	EA	42	\$ 500	\$ 21,000	\$ 21,000		
Subtotal Water					\$ 213,920	\$ 213,920		
Backyard Reconstruction								
	Replace existing landscape and improvements if damaged by work	EA	42	\$ 750.00	\$ 31,500	\$ 12,600	\$ 18,900	
	Adjust MH rims and cleanouts to grade	LS	1	\$ 2,000	\$ 2,000	\$ 800	\$ 1,200	
Subtotal Alley Reconstruction					\$ 33,500	\$ 13,400	\$ 20,100	
Street Reconstruction (Mission, Washington & Watson)								
	Patch Pave Water Main Trench	SF	14,500	\$ 4.00	\$ 58,000	\$ 23,200	\$ 34,800	
	Slurry Seal Streets	SF	85,000	\$ 0.10	\$ 8,500	\$ 3,400	\$ 5,100	
Subtotal Street Reconstruction					\$ 66,500	\$ 26,600	\$ 39,900	
Project Subtotal of Construction Costs					\$ 489,520	\$ 193,700	\$ 295,820	
Contingencies (15%)					\$ 73,428	\$ 29,055	\$ 44,373	
Engineering and Administration (15%)					\$ 73,428	\$ 29,055	\$ 44,373	
Total Estimated Project Cost					\$ 636,376	\$ 251,810	\$ 384,566	
TOTAL PROJECT FOOTAGE					1350 LF			

NOTES:

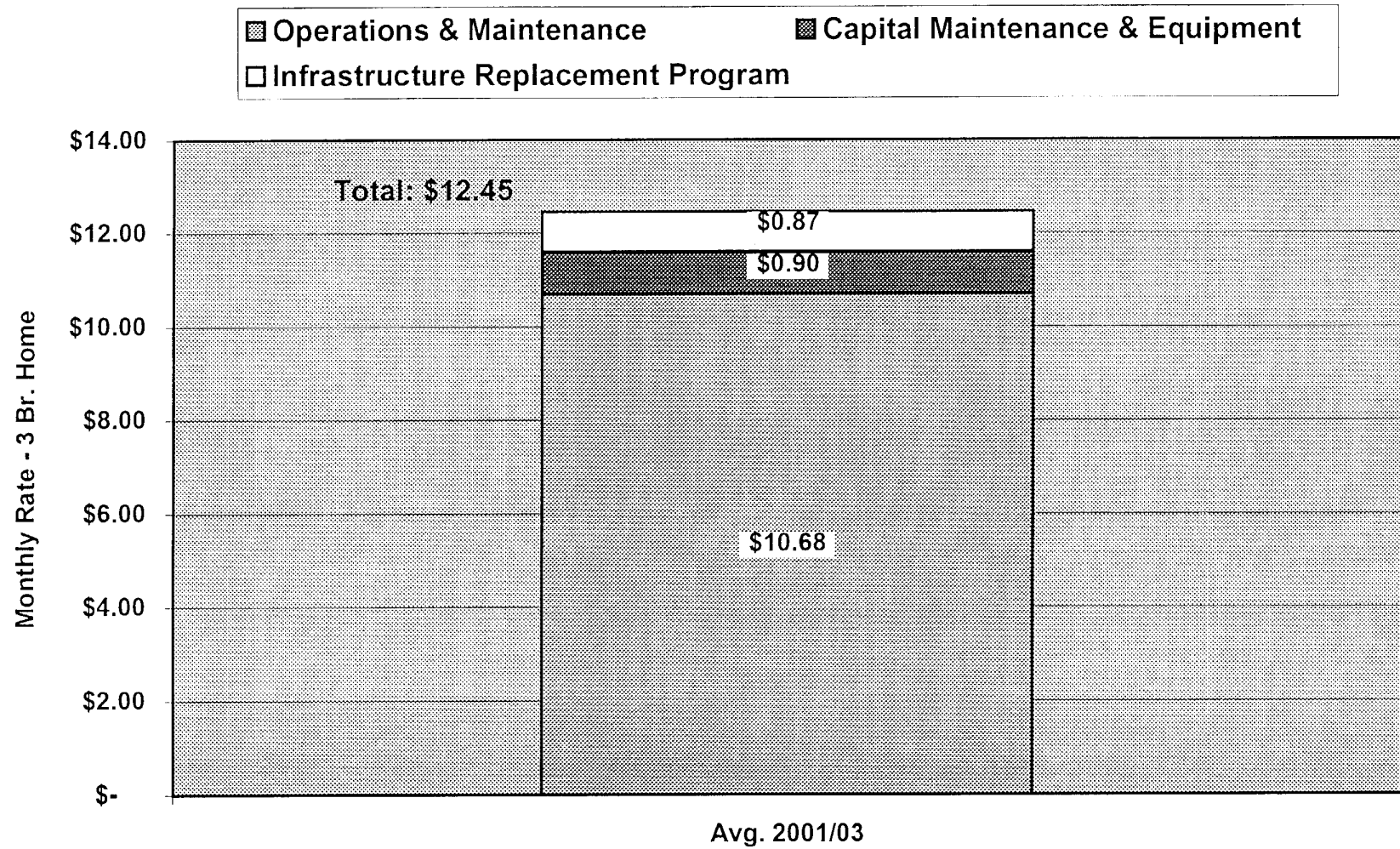
Install water in the street, abandon water in backyards  
Rehab wastewater in backyards  
Individually serve each address with own service  
Rebuild backyard area as required after construction  
Slurry Seal Mission and Watson Streets after installation of water main and services

		Gross \$ / Project Foot *			
		Wastewater	Water	Combined	
\$	187	\$	285	\$	472
		Net \$ / Project Foot **			
		Wastewater	Water	Combined	
\$	187	\$	166	\$	353
		\$ / Foot of Pipe Installed *			
		Wastewater	Water	Combined	
\$	171	\$	140	\$	311

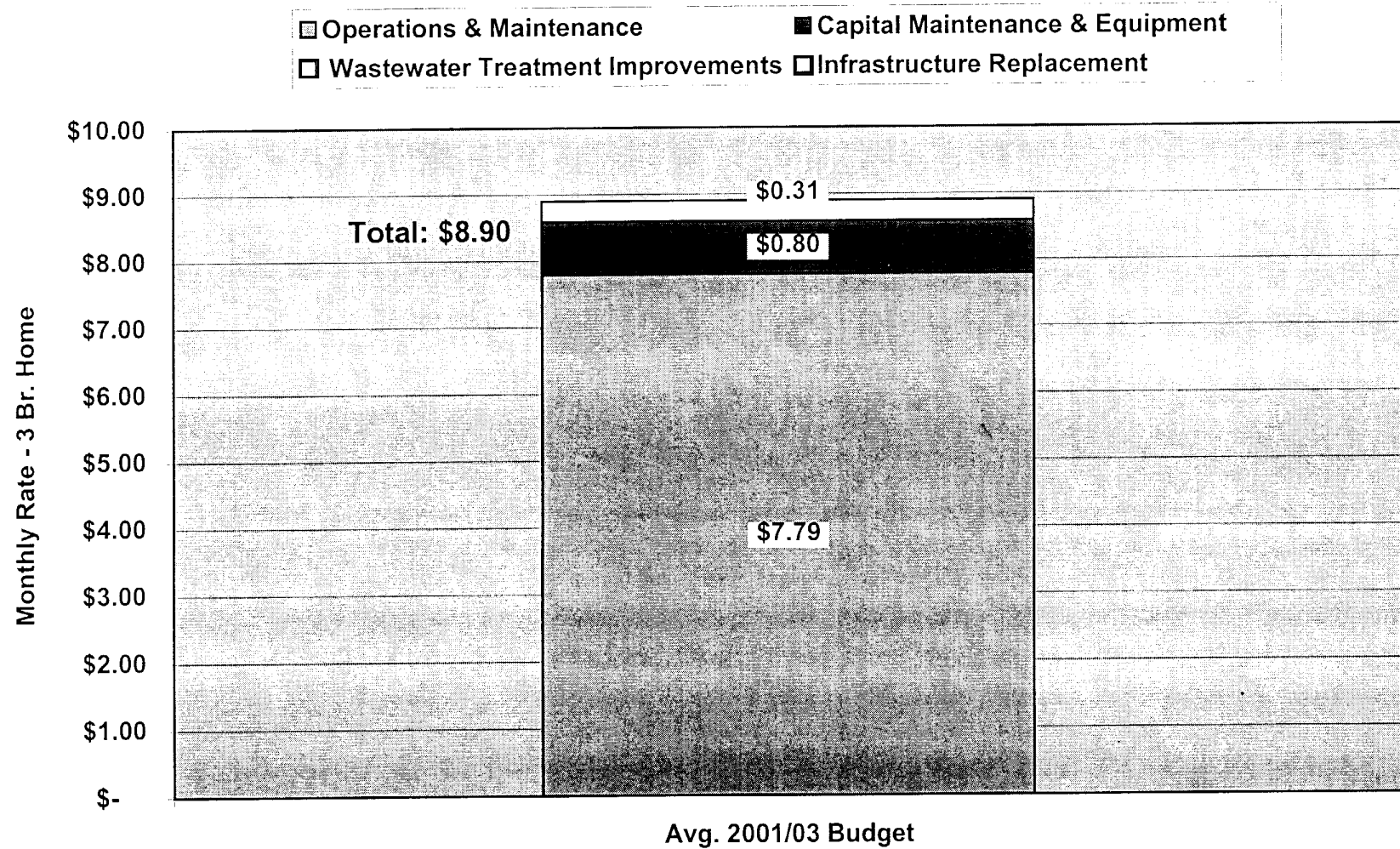
\* Including Costs Associated with Adjacent Blocks (Water Improvements & Street Repair)

\*\* Not Including Costs Associated with Adjacent Blocks (Water Improvements & Street Repair)

## Water Rate Components



## Wastewater Rate Components



## Increased Revenue Requirements

### \$ Per Year

#### *Water Utility*

<u>Component</u>	<u>Recommended Program</u>	<u>Potential Program</u>
Sustain Fund Balance w/Reserve	\$45,000	\$ 45,000
Replace Infrastructure	\$2,200,000	\$2,200,000
Alternate Water Supplies	<u>\$ 20,000</u>	<u>\$2,000,000</u>
Total:	\$2,265,000	\$4,245,000

#### *Wastewater Utility*

Sustain Fund Balance w/Reserve	\$ 245,000	\$ 245,000
Replace Infrastructure	\$ 2,000,000	\$ 2,000,000
Wastewater Treatment Upgrades	<u>\$ 370,000</u>	<u>\$ 2,380,000</u>
Total:	<u>\$ 2,615,000</u>	<u>\$ 4,625,000</u>
Grand Total:	\$ 4,880,000	\$ 8,870,000



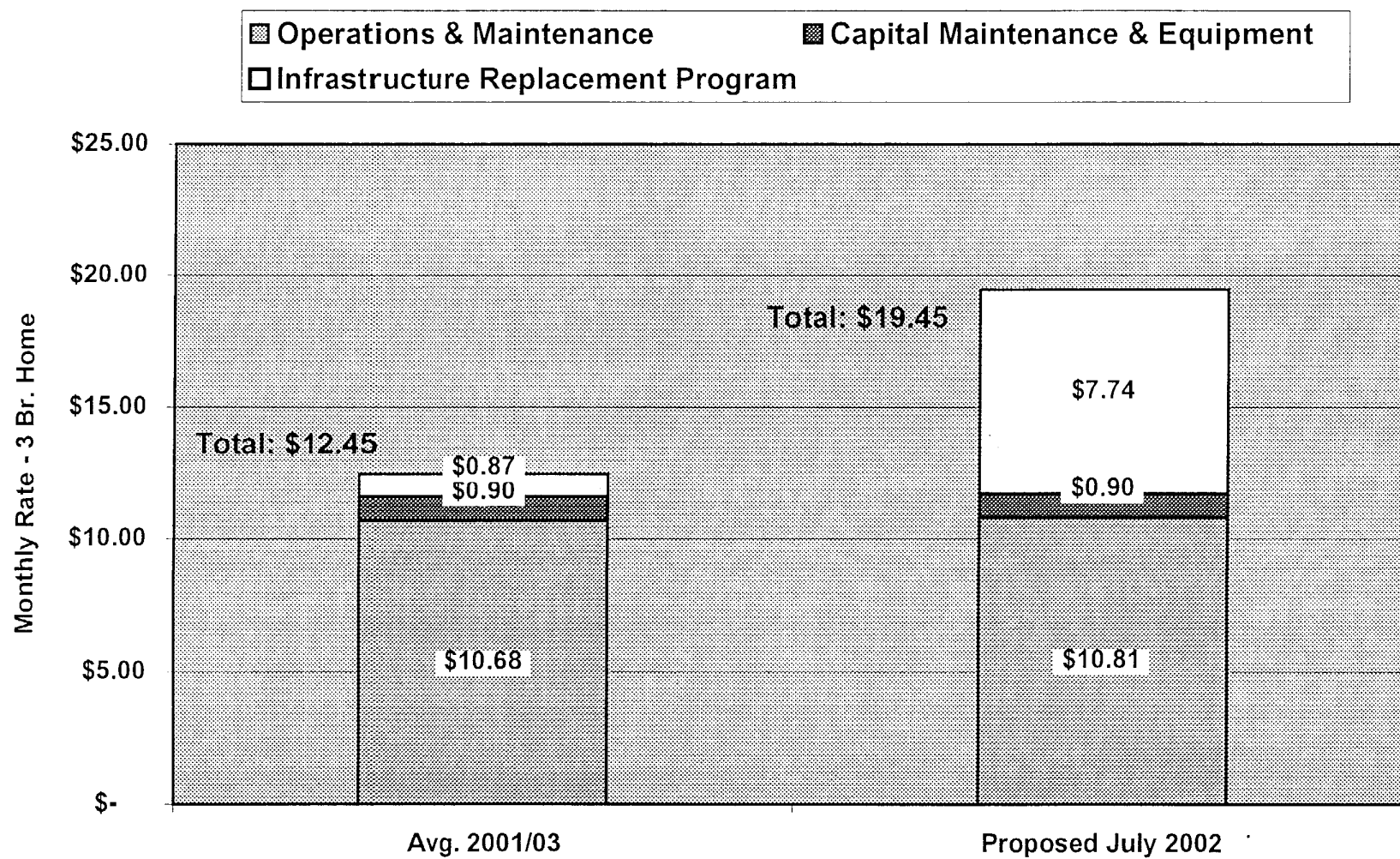
## **Proposed Rate Adjustment Concepts**

- **Two Smaller Increases Rather Than One Large One**
- **Adopt Both Increases Now To Allow Planning**
  - **October 2001**
  - **July 2002**
  - **Reconsider during FY 2002/03 for Future Years**
- **Water – Adjust Flat Rates and Water Usage, Leave Base Meter Charge As Is**
  - **Encourage Conservation**
  - **Rates More In Line With Other Cities**
- **Reduce In-Lieu Charge Starting FY 2002/03**
  - **Reduce Water from 17% to 12%**
  - **Reduce Sewer from 20% to 12%**
  - **Both will then be same as Electric**
  - **Continuing practice from last Water increase in 1995**

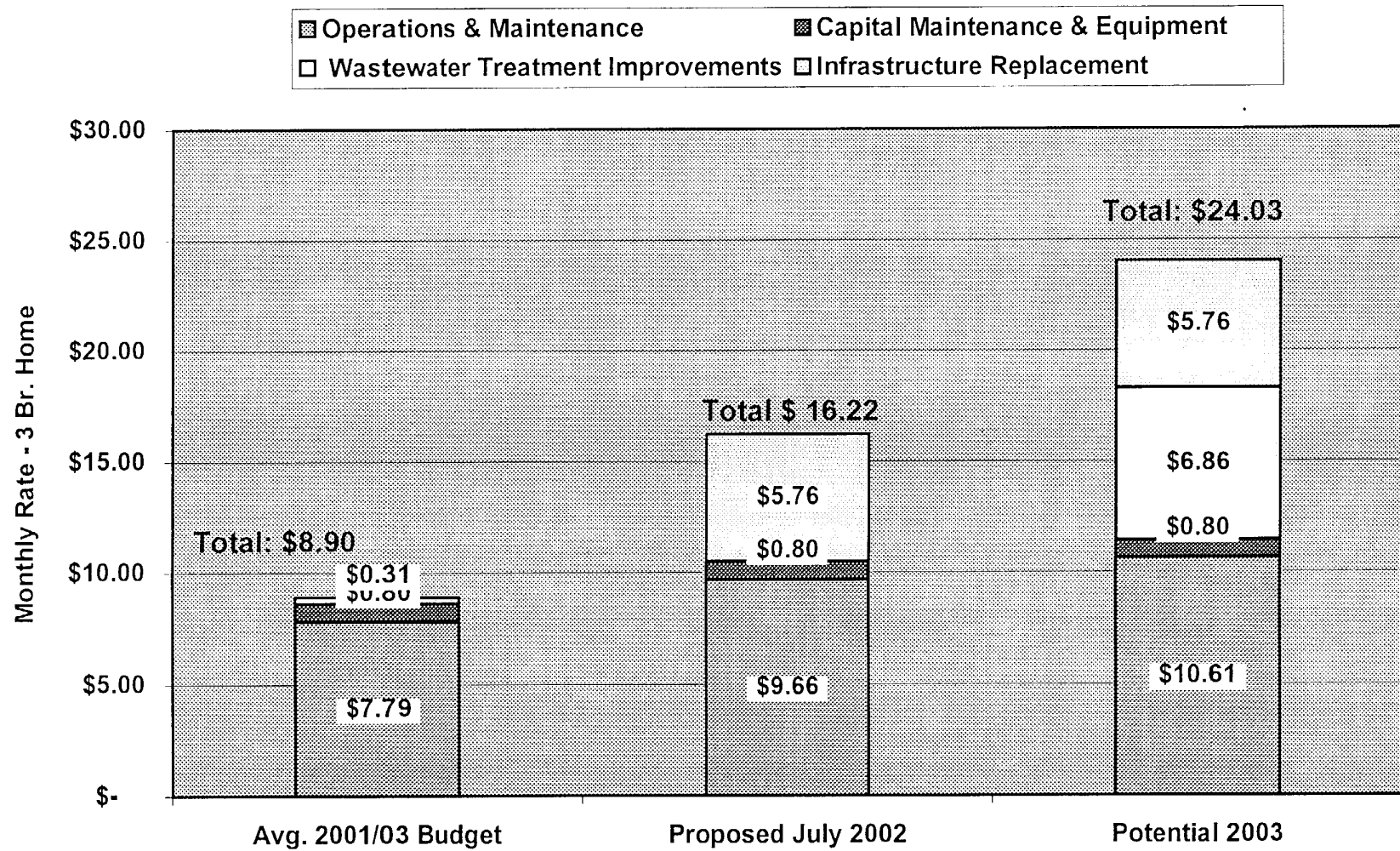
## Proposed – Water/Wastewater Rates

	<u>October</u> <u>2001</u>	<u>July</u> <u>2002</u>
<b>Water</b>		
\$/month – 3 Br. Home		
Existing Rate:	\$ 12.45	\$15.56
Increase:	<u>\$ 3.11</u>	<u>\$ 3.89</u>
Total:	\$ 15.56	\$ 19.45
 \$ /1000 gal/mo. Metered:		
(no change in base chg.)		
Existing Rate:	\$ 0.40	\$ 0.54
Increase:	<u>\$ 0.14</u>	<u>\$ 0.17</u>
Total:	\$ 0.54	\$ 0.71
 <b>Wastewater</b>		
\$/month – 3 Br. Home		
Existing Rate:	\$ 8.90	\$ 12.02
Increase:	<u>\$ 3.12</u>	<u>\$ 4.20</u>
Total:	\$ 12.02	\$ 16.22

## Water Rate Components



## Wastewater Rate Components



## **Next Steps**

- **Questions/Comments from Council**
- **Town Hall Meeting August 29**
- **City Council Meeting September 19**

CITY COUNCIL

ALAN S. NAKANISHI, Mayor  
PHILLIP A. PENNINO  
Mayor Pro Tempore  
SUSAN HITCHCOCK  
EMILY HOWARD  
KEITH LAND

# CITY OF LODI

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H. DIXON FLYNN  
City Manager  
SUSAN J. BLACKSTON  
City Clerk  
RANDALL A. HAYS  
City Attorney

July 10, 2001

Mayor Pro Tempore Pennino  
Council Member Hitchcock  
Council Member Howard  
Council Member Land

**RE: AUGUST 29, 2001 TOWN HALL MEETING**

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The topics for the upcoming August 29, 2001, Town Hall meeting will include the water, sewer, and electric rates, in addition to discussion on reverse frontage walls.

With the possibility of an increase in the water, sewer, and electric rates, this would be an excellent time to educate the public on the reasons for the increase. Prior to the Town Hall meeting, staff will discuss the issue of rates with the City Council at a Shirtsleeve Session.

Another important topic of interest to the public is reverse frontage walls. Staff will be prepared at the Town Hall meeting to discuss with the Council and public the necessity, cost, and funding for these types of walls.

In order to make the meeting flow smoothly, I would like to call upon each Council Member to handle a portion of the meeting by providing a brief introduction and background information as follows:

**Water rates** – Mayor Pro Tempore Pennino

**Sewer rates** – Council Member Howard


**Electric rates** – Council Member Land

**Reverse frontage walls** – Council Member Hitchcock

Please contact City Manager Flynn in advance of the meeting should you need staff assistance with your presentation.

I anticipate that this will be a very informative and well-attended meeting, and I appreciate your cooperation. Please call me should you have any questions.

Sincerely,



Alan S. Nakanishi  
Mayor

ASN